



Department of Justice

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**JUSTICE DEPARTMENT ALLOWS UNIFORM
PROCUREMENT FORMAT AMONG SUPPLIERS OF
PRODUCTS SOLD IN CHARITABLE FUND-RAISING ACTIVITIES**

WASHINGTON, D.C. -- The Department of Justice indicated that it will allow the Association of Fund-Raising Distributors and Suppliers' ("AFRDS") proposed establishment of a uniform product ordering format for products sold to non-profit organizations for resale in their fund-raising activities.

Most distributor and supplier companies that sell to non-profit organizations for resale submit and record product orders using numeric codes established by the supplier. These codes vary from company to company and frequently the numbers overlap, causing confusion for the distributor companies and subsequent delivery errors.

AFRDS wishes to establish a program that will reduce ordering errors and make it easier and more efficient for distributors to deal with a greater number of suppliers, and proposes to establish specific code parameters and formatting. A possible outcome would be an eight-digit numeric code with the first three identifying the supplier company, and the remaining five digits identifying the specific product item.

AFRDS would be responsible for assigning a series of numbers to supplier companies. All distributors, without regard to membership in AFRDS, will be able to access this information. Supplier companies would still be responsible for applying specific

codes to individual product items and for making the information available to their own customers through normal channels.

In a business review letter to AFRDS's counsel, Charles A. James, Assistant Attorney General in charge of the Antitrust Division said that "...[I]f, in fact, the existence of a uniform supplier code will reduce ordering error or enable distributors to deal with a large number of suppliers such benefits could redound to the advantage of consumers and thus be procompetitive."

Under the Department's business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will challenge the action under the antitrust laws.

A file containing the business review request and the Department's response may be examined in the Antitrust Documents Group of the Antitrust Division, Suite 215, Liberty Place, 325 7th Street, N.W., Department of Justice, Washington, D.C. 20004. After a 30-day period, the documents supporting the business review will be added to the file.

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